



Affordability Impact Statement

Housing and Planning Department

2021 International Energy Conservation Code Residential Provisions

Proposed Regulation	The proposed adoption of the 2021 International Energy Conservation Code Residential Provisions and local amendments would replace the 2015 International Energy Conservation Code Residential Provisions and corresponding local amendments. The proposed local amendments have been reduced, clarified, and amended to support Austin's climate and energy efficiency goals.
Land Use/Zoning Impacts on Housing Costs	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input checked="" type="checkbox"/> Neutral <i>No direct impacts to land use or zoning are anticipated as a result of these amendments.</i>
Impact on Development Cost	<input type="checkbox"/> Positive <input checked="" type="checkbox"/> Negative <input type="checkbox"/> Neutral <i>There are negative impacts to housing costs in the short-term and positive impacts to household affordability in the long term as a result of the updated energy conservation code. Local modeling of the code estimates an increase in construction costs ranging from \$430 to \$1,430 for detached single family housing. The most significant change to the cost of housing construction is the increase in minimum rating for ceiling insulation. The higher end of the range of increased construction cost is reflective of optional energy package options, which are often accompanied by proportionally significant energy savings.</i>
Impact on Household Affordability	<input checked="" type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <i>There are negative impacts to housing costs in the short-term and positive impacts to household affordability in the long-term as a result of the updated energy conservation code. Local modeling of the code estimates savings of \$27 to \$102 annually on energy costs and energy conservation of 3.5% to 12.8% for detached single family housing. The resulting reduction in peak demand system wide as a result of these energy savings may enable Austin Energy to lower their rates in the future, which further improves household affordability overall.</i>
Impact on Affordable Housing	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input checked="" type="checkbox"/> Neutral <i>Both positive and negative impacts are anticipated to Affordable Housing as a result of these amendments. Local modeling of construction cost changes are not available for multifamily housing; however, energy conservation per unit is anticipated to be equal to or greater than that modeled for detached single family housing.</i>
Other Policy Considerations	The increase in construction costs are due in part to local conditions and response to the COVID19 pandemic as well as the recovery efforts around Winter Storm Uri. At this time, it is difficult to parse out the construction cost increases from the 2015 IECC and local amendments to the 2021 IECC and amendments with inflation from the broader context impacting material costs.
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Manager's Signature Matt Dugan May 20, 2021